
Forest Owner Cooperation Around the World: Where, How, and Why It Succeeds

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The cooperation of private forest owners appears to be enjoying a renaissance of interest in the United States. The success of the national satellite conference on the subject is just one indication of new popularity, or a need to know more. Small, locally based efforts are springing up in a number of states, and a certain momentum has built in the last 5-10 years. As described by Rickenbach in an earlier chapter, this is apparently not the first time there has been interest like this in the United States. Groups of private landowners have experimented with different types of cooperation over the years, but they have not withstood the test of time. As a result, to some, this current interest may appear new. Private forest owners in other countries have cooperated for decades and continue to do so, however, and many examples have proven to be both durable and productive.

In 2002, I sought examples of private forest owner cooperation from around the world to determine the extent of this activity and look for common causes or themes central to its success. I intentionally limited my search to countries with developed economies and relatively high standards of living. There are many examples of cooperation on a subsistence or community basis from developing nations, but I wanted to find examples that would be applicable in the United States, where private forest owners are relatively affluent and do not generally depend on their woodlands for subsistence income. I also sought examples from temperate countries that have forest growth rates roughly equivalent to those in the United States. Cooperation might work well in tropical countries with rapid forest growth rates, but I wanted to find examples that would be relevant to the forest conditions more typical of the U.S. climate.

My search for information involved several different techniques. I conducted a comprehensive review of the published forestry literature that went back to 1988. I also conducted an Internet search of applicable Web sites. In addition, I e-mailed more than 150 Extension Forestry professionals from around the world who participate in the International Union of Forestry Research Organizations' Extension Working Group. I requested leads, contacts, or other information about private forest owner cooperation in their countries. Finally, I had the good fortune to be able to travel to Sweden for 2 weeks and visit four of the largest private forest owner cooperatives and learn firsthand about their success. I cannot claim that my search was comprehensive or that I succeeded in finding all examples. Information about cooperatives may not make it into

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the published forestry literature, which often focuses on research results. I may not have found everything there is on the Internet, or I may have been thwarted by a language barrier. I believe my results provide a strong indication of the extent and nature of private forest owner cooperation internationally, but I am equally certain that I missed some excellent examples. Because my search was limited to written materials, I may not have gathered all the fine details of how these organizations function, a full understanding of which would come from a personal visit. Lastly, my search uncovered no other similar review.

Results

Where

In the broadest sense, I found evidence of private forest owner cooperation from more than 19 countries (Australia, Austria, Belgium, Canada, Finland, Sweden, Denmark, Germany, France, Japan, South Korea, Switzerland, Netherlands, United Kingdom, Ireland, New Zealand, Norway, Lithuania, Slovenia). It is very hard to estimate the total numbers of owners who cooperate, since that cooperation can take different forms. Also, a single “member” or participant may be an organization like a church or local community, composed itself of members. I broadly estimate that more than 3.6 million private forest owners are involved in some form of cooperation, and the total area of affected forest land exceeds 28.3 million ha.

I found more than 300 descriptions of cooperative organizations in temperate countries with developed economies. Although the levels of cooperation vary, millions of private owners work together to achieve results they believe are superior to what they could do independently. Cooperation for some may be merely working together on a newsletter or otherwise exchanging information, but for many others it represents working together and marketing millions of cubic meters of wood annually. Although cooperation may be viewed as a re-emerging fad among some owners in the United States, it has succeeded for decades elsewhere.

How

I found a wide variety of different forms and degrees of cooperation, which could be broken down into four types: information, equipment, financial, management.



Figure 1.—*Japanese forest owners who are part of a cooperative discuss silvicultural options for a Japanese larch stand. (Photo credit: D. Kittredge).*

Information Cooperation

Information, techniques, experiences, and advice are exchanged among owners, but cooperation does not extend to actual land management or marketing. These organizations or associations disseminate and exchange information through a variety of means, such as workshops, meetings, trips, newsletters, market reports, advice, and “advocacy” of private owner interests in State or Federal policy activities. Examples of this type of cooperation can be found in most countries.

Equipment Cooperation

Participating landowners share equipment and machinery for road building and access and for harvesting/transport, but their lands are managed independently of one another. Equipment cooperation is practiced in the Canadian provinces of Quebec, New Brunswick, and Nova Scotia as well as in Finland and Slovenia.



Figure 2.—*Forester for Swedish forest owners cooperative poses with operator of a small harvester in a dense Scotch pine stand. (Photo credit: D. Kittredge).*

Financial Cooperation

This type of cooperation involves members who collectively market wood products to gain a better position in the marketplace. This is common in Scandinavia, where large organizations with thousands of owners negotiate strong prices with industrial buyers of roundwood. This model is also found in Japan, South Korea, eastern Canadian provinces, Germany, and Austria.

These organizations generally operate on the cooperative principle of one-member-one-vote. Members purchase and own shares, the number of which is often based on the size of their property. They earn annual dividends, value growth of their shares, or profits when the “company” has a successful year. In comparison, private corporations return profits to stockholders rather than to forest owners. Industrial roundwood buyers strive to minimize the price paid for wood to maximize profits for stockholders. Negotiations between the cooperative organizations and buyers of roundwood generally result in higher overall prices in the marketplace. Thus, members benefit when they sell wood, and they benefit from a return on their shares as the value of those shares grows. In some cases, these organizations are not exclusive, and they will buy wood from nonmembers, as well.

Over time, many of these organizations have realized the gains of capturing “value-added” benefits and now do more than simply negotiate the sale of roundwood. Many have added sawmill capacity, and one cooperative in southern Sweden has even built its own pulp mill.



Figure 3.—Forester for Swedish forest owners cooperative uses his cell phone to make contact with roundwood buyers. (Photo credit: D. Kittredge).



Figure 4.—*Forest owners cooperative in southern Germany deals not only in conventional wood products, but also in pelletized wood for home heating. (Photo credit: D. Kittredge).*

Many of these organizations do not limit themselves to wood transactions. They offer members many other benefits, such as information and educational opportunities, and advocacy representation. They also offer the benefits of economies of scale to purchase in large quantities and pass savings for goods and services on to members. Several of these organizations have evolved to further offer land management services to members generally on a fee-for-service basis. They either do this in-house with their own staff or refer members to independent contractors. Many urban absentee owners, who often live some distance from their property, welcome this “full service” opportunity. This is actually a growing trend in Scandinavia, Japan, and eastern Canada, and this “consignment” or “absentee” management role is anticipated to grow.

Management Cooperation

Although participants in financial cooperation organizations collaborate for a better position in the marketplace, they do not necessarily cooperate in a true integrated management sense, making decisions on similar spatial and temporal scales and in context of their surroundings. This kind of “ecosystem-based approach to management” seems quite rare, although the activities of Landcare groups in Australia seem to approach this. There are examples of owners who cooperate in management, but not in a necessarily integrated way at larger ecosystem scales.

Examples of the different types of cooperatives are shown in table 1.

Table 1.—*Examples of different types of cooperation in the forestry sector found outside the United States.*

Resources being shared			
Information	Equipment	Financial	Management
• Lobbying or political activity and advocacy • Sharing knowledge and peer experiences (e.g., compare experiences with a given contractor, which would be impossible for public sector foresters to fairly or ethically do) • Information and educational opportunities	• Share equipment or contractors for a particular task • Road construction, access, and maintenance tasks	• Purchase supplies or insurance in bulk, thereby gaining a better price • Purchase professional services, such as boundary work, surveys, or management planning • Collective marketing of wood • Financial assistance (e.g., South Korean owners may take out loans from their local cooperative) • Assemble a sufficient volume of land and owners to participate in some form of green certification • Develop regional recognition or a “brand” for wood products, and potentially greater value • Due to economies of scale, attain greater access to government and private sector grants (e.g., the Landcare group experiences in Australia)	• Fire detection, fuel reduction, and response • Joint recreation and habitat planning, access, and lease opportunities • Promotion and organization of afforestation or reforestation efforts • Ecosystem-level services (e.g., avalanche protection in mountainous regions such as Switzerland and Japan) • Management services for absentee landowners • Consolidation of very small parcels in fragmented landscapes to assemble an effective management unit (e.g., groupings of parcels in France, Germany, and the Netherlands)

Why

In basically all circumstances, government was involved in the development of cooperative groups. These organizations are considered a means to implement national forest policy or safeguard public benefits on private lands. In Nova Scotia, for example, government funding supported the creation of a cooperative, and members used creative entrepreneurial ideas to succeed beyond the initial supported phase. In Belgium, the Netherlands, France, Germany, and Japan, governments financially support cooperatives, where they are an effective tool to promote forest management on private lands. This support is delivered either directly through payments to the organization, or indirectly, routing subsidies for landowner management through the organization, which takes an overhead share. Some governments actually pay landowners directly to join their local cooperative organization (e.g., France, Netherlands). State and Federal



Figure 5.—Foresters for a Swedish forest owners cooperative on a landing with wood sold to a local buyer. (Photo credit: D. Kittredge).

programs in the United States promote good forestry on private lands through direct cost sharing of activities and provision of technical assistance through public-sector county foresters. In contrast, other counties view the role of successful cooperative organizations as worthy of public investment and as a means to promote good forestry on private lands.

In all cases, cooperation of private landowners was in response to some issue or stimulus. In Scandinavia, low prices and a lack of competition inspired landowners to bargain collectively for a higher roundwood price. A similar interest in negotiating from a position of strength led owners in the Canadian Maritime provinces to cooperate. The need for fuelwood in Scandinavia during World War II called for an efficient means of production and distribution.

A need for reforestation in rural areas moved the South Korean government to form Village Forestry Associations. Likewise, the need for reforestation on private lands led the Québec Provincial government to work with cooperatives. Later, when a need for local woodworker training and recruiting surfaced, cooperatives were seen as a good approach. In the UK and the Netherlands, the need to restore native broadleaved woodlands inspired nature conservancy organizations and the government to form cooperative organizations. Similarly in Australia, concern over environmental degradation inspired local volunteer groups to collaborate with government and industry through Landcare programs.

Some woodland owners in British Columbia sought an alternative to either the large-scale industrial or provincial approach to forestry and instead started organizations for information, education, and support. Such organizations can provide a means to pursue some form of green certification.

The continued hyper-fragmentation of land into tiny parcels through inheritance motivated government officials and foresters in France, Belgium, parts of Germany, and the Netherlands to start cooperative organizations. In southern Germany, for example, average ownership size can be 10 acres or less, distributed between two or three different parcels. Any kind of effective management or care of these tiny properties requires efficiencies of cooperation.

The development of overstocked or newly established conifer plantations in need of tending, as well as a market for small wood, inspired governments or landowners to seek cooperative means to promote action on private lands in Japan, Ireland, and parts of the UK.

Hundreds of examples and success stories from 19 different countries attest to the effectiveness of cooperation. Many of these have withstood the test of time, prospering for 50 years or more. These organizations, in spite of impressive track records, are not universally appealing to all owners, however. For example, Finnish landowners are legally required to contribute to associations, but only 75 percent of them actually participate in them. Thousands of Swedish owners participate in a cooperative, but this still represents only roughly half the NIPF owner population. Approximately two-thirds of Japanese owners, and three-fourths of forest land are enrolled in a cooperative. Roughly a quarter of the landowners and two-thirds of the forest are enrolled in a cooperative in the southern German state of Bavaria. Even where cooperation is very successful, it is not universally accepted. Clearly individual owners have their own reasons for participating in cooperatives, or deciding not to.

Conclusions

This review reveals hundreds of examples of forest owner cooperation at a non-subsistence level from temperate countries around the world. Thousands of owners and millions of hectares are involved. Cooperation ranges from a simple exchange of information to sophisticated business transactions annually involving millions of cubic meters. Although the nature and extent of cooperation vary, both private owners and governments deem the outcomes beneficial. In virtually all examples, there was some level of public sector involvement, at least in the early stages, and a cause or stimulus that prompted a cooperative response. This review cannot be considered exhaustive or to represent all forms of cooperation worldwide. It does provide a good indication of the relative success of cooperation in other countries similar to the United States. Although cooperation in these countries may not enjoy universal appeal, it is an integral part of the success of forestry.